



Media Release

Corporate Communications

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ANZ Diversified Margin Loan redefines margin lending

**ANZ offers customers twice as much choice
– Over 1,000 ASX listed securities**

With the *ANZ Diversified Margin Loan* launched today, Australian investors can now use margin lending against more than 1,000 ASX listed securities, almost twice what they could do yesterday.

The ANZ Diversified Margin Loan is the only product in the Australian market designed to recognise the benefits of diversification for investors by distinguishing between lower risk investors with diversified portfolios, and higher risk investors with investments in only one or a few stocks.

By allowing investors to use margin lending against twice as many ASX listed securities as a standard margin loan, this ground breaking product enables investors to borrow against a wide range of previously inaccessible shares.

With the *ANZ Diversified Margin Loan*, Loan to Value Ratios (LVRs) are also offered at market-leading rates. The innovative margin loan offers higher LVRs than a standard margin loan for many ASX Top 100 stocks, and LVRs up to 20 per cent higher than a standard margin loan for stocks outside the ASX Top 100.*

"There has been significant growth in the margin lending market over the last two years. ANZ has made a leap forward by offering more choice with more than 1,000 ASX listed securities to gear against. Some customers may choose to borrow more to potentially enhance their returns while other customers will use the product to increase their safety cushion before they need to meet a margin call," said John Daley, Head of Margin Lending, ANZ.

"The product was developed following research that indicates customers with diversified portfolios have significantly reduced risk, compared with customers who invest in single stocks. The lowered risk is beneficial not only for customers but also for lending institutions which is why we believe it will change margin lending in Australia. It is truly innovative, and is patent pending," continued Mr Daley.

To qualify for the ANZ Diversified Margin Loan, investors must hold a portfolio of at least four stocks. The calculation of the diversified portfolio security value has some restrictions, including a cap of 25 percent per stock and a cap of 50 percent on the total contribution of newly introduced stocks. When these rules are not met, the default is to apply the standard ANZ Margin Loan criteria.

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ANZ will continue to offer its standard ANZ Margin Loan and the ANZ Regular Geared Savings Plan to existing and new customers.

The ANZ Diversified Margin Loan is the latest initiative from the ANZ Investment & Insurance Products business unit. Earlier this year, ANZ Financial Planning, also part of ANZ Investment & Insurance Products, introduced its fee-for-advice remuneration model for financial planning, offering greater transparency in paying for financial advice.

To find out more information about the ANZ Diversified Margin Loan visit www.anz.com/marginlending or call the Client Services team at 1800 639 330 between 8am – 6pm AEST (exc. national public holidays).

* Source: CANNEX Margin Lending Report April 2006

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